

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6 1445 ROSS AVENUE, SUITE 1200 DALLAS, TX 75202-2733 Traves

OCT 14 2005

Mr. F. William Mahley Strasburger & Price, LLP 901 Main Street, Suite 4300 Dallas, TX 75202-3794

Dear Mr. Mahley:

Thank you for your July 1, 2005, letter outlining discussions between the U.S. Environmental Protection Agency (EPA) and the Gulfco Parties (the Dow Chemical Company, the Sequa Corporation, and LDL Coastal) regarding the Gulfco Marine Maintenance Superfund Site. I apologize for the delay in responding. We share the goal of quickly cleaning up the Gulfco site in order to delete it from the National Priorities List (NPL) and regret that a timely agreement could not be reached.

When the Gulfco Parties presented their proposal for investigation and cleanup of the site on March 7, 2005, we thought it would be an excellent approach if the proposal took into account EPA's oversight role, public participation, and assurance that all response actions would be completed as appropriate for a site on the NPL. The proposal also needed to assure that the cleanup would be consistent with other NPL sites. However, we were unable to reach agreement on technical standards for this site or a method to meet the delisting criteria, necessitating that EPA issue a Unilateral Administrative Order (UAO), which was effective on July 29, 2005.

We appreciate the Gulfco Parties' stated intent to comply with the UAO. Once the site-specific studies are complete, and remedial options identified, we will be in a better position to consider jointly with TCEQ which of the many state and federal authorities should be applied to perform the remedy at this site. Future discussion of performing the remedy under the VCP may be useful if all appropriate action to address this NPL site can be completed using VCP authority.

If you have additional questions, please call our attorney, Pam Travis, who is responsible for the Gulfco site while attorney Barbara Nann is on assignment in another EPA office. You can reach Ms. Travis at (214) 665-8056.

Sincerely yours,

Richard E. Greene Regional Administrator

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cc: The Honorable Rick Perry Governor of Texas

> Ms. Kathleen Hartnett White, Chairman Texas Commission on Environmental Quality

Mr. Daniel Eden, Deputy Director Office of Permitting, Rededication, and Registration Texas Commission on Environmental Quality

Ms. Jacked Harden, P.E., Director Rededication Division Texas Commission on Environmental Quality

Ms. Caroline Sweeney, Senior Attorney Rededication and Financial Litigation Division . Office of Legal Services Texas Commission on Environmental Quality